

FINANCIAL INSTITUTION
LETTERHEAD

Address

Date:

Irrevocable Letter of Credit No.:

TO: City of Greenwood
Board of Public Works and Safety
2 North Madison Avenue
Greenwood, IN 46142

To Whom It May Concern:

We hereby authorize you to value on us for the account of:

Developer Name
Developer Address

For a sum or sums in United States of America Dollars not to exceed the aggregate total of _____ (\$ _____) by your draft(s) at sight.

The purpose of this Letter of Credit is for the performance of the construction of (Identify Improvements) in (Identify Subdivision or Project), Section _____.

The condition for payment of any drafts drawn against the Letter of Credit requires that the draft be accompanied by beneficiary's signed statement on City of Greenwood letterhead stating that (Developer Name) has not performed or complied with the terms of the construction plan requirements of said project. The statement must also outline the specific deficiencies in construction.

All drafts must be marked, "Drawn under Financial Institution Name, Credit No. _____."

This credit is subject, so far as applicable, to "The Uniform Customs and Practice for Documentary Credit (1993 Revision), International Chamber of Commerce Brochure No. 500".

This Letter of Credit is effective as of (Date), and shall expire on (Date One Year from Effective Date) but such expiration date shall be automatically extended for a period of one year on (Anniversary Date of Effective Date), and on each successive expiration date, unless a release is received from the City of Greenwood, or we notify both the City of Greenwood and (Developer Name) by certified mail, at least ninety (90) days before the current expiration date, that we have decided not to extend this Letter of Credit beyond the current expiration date. In the event of such notification by us, the credit established by this Letter shall be available to the City of Greenwood upon its sight draft or demand for payment for ninety (90) days after receipt of such notice by the City of Greenwood as shown on the signed return receipt.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this credit shall be duly honored on due presentation to the main office of Financial Institution Name, and Address.

Sincerely,
Financial Institution Name

Name

Title

SAMPLE